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THE TRANSMISSION OF VALUES

Each age and each field of thought has its own language. The Christmas message comes to us through the ages in words of the heart. A great biologist, surveying the course of life, and deeply moved by what he sees, gives us a message in perfect harmony with the other, and of equally universal sweep:

"The wealth and worth incorporated in what we perceive as our wondrously constituted organism is the result of the endless vital toil of innumerable foregone generations of kindred beings. We now alive in this present fleeting moment of endlessly past and endlessly future time are sole bearers and realizers of these laborious results, painfully wrought in ages upon ages. Unto our exclusive safekeeping the precious inheritance is confided. The entire future welfare of the human race depends on its faithful preservation and unimpaired transmission. It seems self-evident, then, that this solidarity of past, present, and future existence imposes upon us the duty of holding our vital endowments in trust, and not for arbitrary disposal; forbidding us egotistically, wastefully to luxuriate either in the spiritual or the material wealth of our common inheritance.

"From the unintermitting continuity of life and its affiliating heritage emanate those strange intuitive feelings of sympathetic purpose that make of a multitude of separate lives one organic whole, linking the passing generations into a totality of being through community achievement, in which the life-worthy abilities of all are miraculously rescued into rejuvenated presence from what to individual consciousness appears as the ravages of time and death.

"This is the great transcendental paradox of human nature, that each of us is individually the bearer of the entire wealth and worth of life, and yet only an infinitesimal fragment in the collective life of humanity, in which each succeeding generation sums up the existence of all its predecessors."

—Edmund Montgomery, "Ethics and Biology," *International Journal of Ethics*, Vol. V, No. 1, October, 1894.

DIFFICULTIES ARE THE BEST CAPITAL

By ARTHUR E. MORGAN

Thousands of American small communities need small industries or other projects which will give a substantial economic foundation to community life. Chambers of commerce are trying to pull industries from other towns to their own. Others are looking for simple and easily established businesses. Success does not most probably lie in that direction, but rather in undertaking what is inherently feasible but stubbornly difficult. The following article pictures difficulties, not as unfortunate crosses we must unwillingly bear, but as the best and most secure kind of capital.

The most valuable capital a man can have consists not of money nor of buildings and machinery, nor of a store of raw materials, but of difficulties overcome. If I were to start a small business of my own, with the hope of making it a long-time success and of leaving it as an inheritance to my children and a continuing resource to my community, there would be a few main points on which I should base my selection.

I should want to be sure that the business would be generally useful, meeting a real and continuing need, a need not already adequately cared for. Because I value my life I do not want to waste it in doing useless work, or work which someone else is eager and able to do as well.

I should want a business which would be in the line of my own interests and potential abilities, as to its character, location, the skills required, etc.

I should want a business that can be pursued with honorable and discriminating personal and social standards.

I should want to be reasonably certain that the venture would be inherently possible and reasonably within my powers.

Last, but not least, I should want a business in which success would not come easily, but would result from overcoming many and serious difficulties. This last point is not included because of any love of difficulty for difficulty's sake, or because of any good effect on character of overcoming difficulty; but because if I have in myself the quality of patiently and persistently meeting and overcoming difficulties I can turn that quality into capital more valuable and more immune to destructive competition than money or property would be. If I get this point of view, then I meet difficulties, not as misfortunes, but as opportunities for investment of the particular form of capital that I possess.

Abundance of funds by itself does not give security to a business. In normal times there are many millions of unemployed capital in America searching for investment. The fact that a business has several million dollars capital is no protection against the setting up of competing firms. Repeatedly we see old established firms suddenly facing competition, and often being submerged in the process. Neither dominant reputation nor monopoly are secure. Wherever a firm is quickly and easily making money, there vigorous competition quickly appears.

The American railroad industry provides several illustrations of this fact. Fifty years ago nearly every railway passenger coach in America was made of wood and bore the name plate of Barney and Smith. This company seemed to have a national monopoly. But its owners got tired of difficulties. They considered making steel cars, but thought the difficulties too great. However, other men had appetites for such difficulties. Steel cars became standard, and the great Barney and Smith car company disappeared.

More recently two or three big American companies made practically all the standard non-electric locomotives for American railroads. They were somewhat progressive, but with the business in their hands they saw no reason for fundamental change of design, or for trying to greatly reduce the number of the 15,000 parts that went into the construction of a steam locomotive. However, someone else did enjoy such difficulties, and produced the present-day Diesel railway locomotive. The old companies began to wake up, but not until the new company was making more locomotives than any one of them. The relative failure of the old companies was not due to lack of capital or reputation, but to lack of appetite for difficulty.

The whole railroad industry tends to be a case in point. It had secure monopoly of long-distance American transportation, and went to sleep in that security. A thousand technical and administrative difficulties and inefficiencies remained unmastered which, if attacked with eager appetite for difficulties, would have enormously increased the effectiveness, economy and convenience of railway transportation. Then competing services began to appear on all sides, buses, trucks, pipelines, river transportation and airplanes. The railroads are waking up—in spots—and are eliminating some obsolescences.

Examples from big business, which might be indefinitely multiplied, have been taken to show that even great size and power are not immune if the habit of finding and overcoming difficulties is allowed to grow weak. But to an even greater degree the principle applies to small economic undertakings. The habit of deliberately and persistently searching out and overcoming serious difficulties is a surer road to economic security on a small or moderate scale than is the possession of ample finances. Examples of this truth can be had on every hand. The following cases are from our own little village of Yellow Springs.

Nearly twenty years ago a college student undertook a study of certain methods of bronze and aluminum casting on which but little research had been done. The problems were complex, stubborn and baffling. They included the chemical and physical properties of alloys and of plasters, electrical temperature controls, and the training of workers in unusual exactness and in adaptability to varied operations. Radically new techniques had to be developed with ramifications in physics, chemistry, metallurgy and electrical measurements. When five years of persistent work and hard living had brought but very meager results for the young man and his wife working as a team, experienced businessmen advised abandonment of the undertaking.

However, the project seemed inherently possible and useful, and it was continued. Little by little one problem after another was mastered and new skills were thoroughly acquired. Slowly for a time and then more rapidly the business began to be profitable. Today the business, though still small, with about 200 employees, is almost a national monopoly in its field, not through any manipulation, but because no one else has paid the price of slowly and patiently overcoming the complex difficulties involved. On two recent occasions a giant corporation, each with capital and resources hundreds of times as great as that of this little firm, undertook to take away at least a part of its business. In each case the great firm finally gave up the attempt, because it could not, just by expenditure of money, achieve the results which came only by the patient overcoming of many small and great difficulties. The background of difficulties overcome and problems mastered was a greater protection from competition to this little firm than millions of dollars of capital would have been.

Another small firm in our village has a similar record. Years ago a nineteen-year-old college student bought fifty dollars' worth of second-hand printing equipment and began to print bookplates. The gross income for the first year was three hundred dollars. Years of hard and discouraging work followed. Simple as the product seemed, it bristled with technical problems—of the physical properties of papers, inks and adhesives, of printing and packaging; of art standards and public taste, of selling and distributing. The young proprietor would hitch-hike on sales trips to become acquainted with his market, and then come back and work long hours in the shop to master production.

It was not the mastery of any few great problems, but of a multitude of problems great and small, that resulted in over-all ability. Today this little firm with twenty to thirty employees has almost a national monopoly in its field. Here, too, several large firms, each with ten to fifty times as great resources, have undertaken to enter the field and take away the business. Also twenty-five or more small firms, observing what seems at a glance to be easy success, have undertaken to compete. In each case, large and small, they discover that what seems so simple is really a complex process, and nearly all of them have given up. Unless one has paid the price of thorough, patient mastery he does not succeed in it. In nearly every case the final conclusion of the competitor is that there probably are easier ways for making money, and that the possible profits are not worth the effort. Here again, difficulties overcome are a greater security than would be a million dollars of capital.

Another case in our village is that of the work-study program at Antioch College. The idea did not originate at Antioch, but has received there a patient, persistent study and mastery that perhaps has not been equalled elsewhere. Many discouraging, almost heart-breaking problems have arisen in the development of the program. Only slowly and gradually is there emerging an integrated philosophy and program which expresses the purpose with which the program was begun.

Numerous other institutions have undertaken to copy the program, with varying degrees of success and failure. One of our greatest universities, with a yearly budget several times as great as the total of all the properties and resources of Antioch, gave the program a trial, and after a few years decided it to be impracticable. The fact apparently was not appreciated that the marked success at Antioch lies not just in the possession of a useful idea, but in the patient and persistent working out of a complex of problems. The primacy of Antioch in this program probably will not be quickly lost unless the college loses its appetite for difficult problems.

In recent years I have frequently visited a small community, the members of which greatly desire small industries or other projects which will provide a stable economic foundation for community life. A score of promising projects have been pointed out, any one of which, however, would require gradual and persistent mastery of many problems. In some cases projects have been taken up for a year or two and then dropped because first efforts did not lead to success.

There has been a search for businesses which lack difficult problems. If such a project should be found it might have brief success, but would soon be swamped by competition, for similar projects would be open to the average run of persons who lack staying power for overcoming serious difficulties, and are also looking for projects without problems.

Suppose everyone should suddenly be possessed of persistence in overcoming difficulties. Would not competition be heightened to an intolerable pitch? Not at all, if moderate intelligence and social purpose are present. The needs of men are almost infinitely varied. Civilization, like organic evolution, advances by increase of diversity. We need products, not made in general, but made to fully meet specific purposes. For every one product on the market there is room for ten or a hundred, each made to perfectly meet a particular need.

In nearly every field of life a job nearby is being badly done, not because people want to do poor work, but because to do the job well would require the overcoming of a large number of difficulties. A boy working for a farmer asked his employer, "What is it farmers need most?" The reply was, "They most need imagination. A farmer may see a fine herd of blooded cattle in a neighbor's pasture, but cannot imagine a similar herd in his own pasture." Perhaps our greatest need is to see that this process of gradually acquiring the advantage which comes by the steady overcoming of difficulties is as open to us—if we choose undertakings reasonably within our powers—as it is to others. In your community and mine those opportunities wait.

"Two ideas have dominated historical thinking in our time: Environment and Race. Race is not the decisive factor, says Toynbee, for men of many races have successfully met their challenges in different ways. It is not environment that makes societies what they are. It is the response men make to challenges that determines what they may be."—From a story on Arnold J. Toynbee in *Time Magazine*, March 17, 1947. (Courtesy of TIME, copyright Time Inc. 1947.)

HOW SCANDINAVIA TRIES TO STABILIZE SMALL BUSINESS

By ARTHUR E. MORGAN

(This is the second of two articles. The first, on Denmark, Sweden and Norway, appeared in the September-October issue of Community Service News. Combined reprints of the two articles are available at 50¢.)

In many parts of Finland new small industries are springing up. This is partly in efforts to fill the gaps left by the breakdown of German industry, which formerly supplied many of the country's needs. Some owners or managers of the new industries, and of some of the older ones, are unfamiliar with modern production efficiency.

There are probably a dozen associations in Finland undertaking to supply some elements of service in the field of industrial management for small business. Several of these are still experimental and tentative. One of the more interesting and promising is the organization, formed only five years ago, of many small metal industries in all parts of Finland. It has the formidable name of Metalliteollisuudenharjoittajain. With a staff of about 40 persons, "M.T.H.", as it is called, supplies a wide range of technical and managerial services to its member firms, providing them with much the same specialized skills that would be available to a great corporation.

As a curious result of certain Finnish legislation, most business associations have two legal organizations. One of these, the "ideal" corporation, as it is called, identified by the letters "r.y.," handles non-commercial matters. The other, identified by the letters "o.y.," is concerned with technical or commercial affairs. (This rough statement would have to be greatly elaborated to make it fully intelligible.)

The small industries association has both these legal forms. "M.T.H.r.y.," the "ideal" organization, with 220 member firms, advises on problems relating to wage negotiations, wage disputes, working conditions, law cases, a periodical publication, employment, vacation programs and camps, and certain relations with the government.

The technical and commercial organization, "M.T.H. Keskus o.y.," in which 122 of the same firms are members, has a wide range of activities. It undertakes to supply its member firms with raw materials, an intricate and difficult job in present-day Finland. It takes care of foreign relations, both in purchase of materials and in delivery of reparations goods to Russia. It has a design and drafting service for designing products and preparing working drawings. A staff of efficiency engineers is available to plan factory layouts and work arrangements. It will design and build new plants for its members.

In case business is available which is too big or too varied for a single firm, the organization will make an analysis of the order and, knowing the equipment and facilities of its member firms, it will divide the job between several plants. It will analyze the cost of the different portions and determine what part of the wholesale price will go to each.

While I was in Finland an order was received for building a large plant to make excelsior (shredded wood). This job was beyond the available capacity of any one or several of the firms. Therefore, the central organization broke down the job into many component parts and placed these parts with thirty-four different member firms. Then it set up a thirty-fifth firm to receive and assemble the parts. Such a division of work makes necessary an inspection service to insure that the work of each member firm is acceptable. What an expansion of possibilities would such cooperation bring to small American firms!

Machine tools are very difficult to buy in Finland, and their import is prohibited, except under government license. One service of the central organization is to consult with member firms as to their imperative needs in machinery, to secure import licenses, and to buy the machinery and machine tools, probably in America or England.

There comes the problem of financing. This also is a service of the organization. An individual small manufacturer might have difficulty in persuading a banker or a government department of his financial responsibility. The central organization would not recommend a loan unless persuaded of its need and its soundness. Finnish bankers told me they had great respect for this organization. That being the case, the member firms have a kind of backing for their financial requests that the American small manufacturer largely lacks.

Sales, of course, are vital, and the central organization largely takes care of them. It searches for work for its member firms. Some of the plants are using scrap war material to make goods Finland needs. In this scouting the central organization often can be more efficient than the individual manufacturer. The firms make a wide range of products from locomotives and ships to pots and pans.

Up to the present a considerable part of the production has gone to Russia, for reparations in kind. Since Russia credits what she gets only at prewar prices, whereas the machines and the steel and other raw materials purchased from America cost about two and a quarter times as much as before the war, the matter of prices paid and received is critical. Individual small industries might be lost in the complexities of the problem.

Finally there is an auditing department which gives advice on bookkeeping, makes audits, and helps with income tax and other fiscal reports. This relieves the managers of small plants of annoying and time-consuming effort. During the war various small industrialists in America told me that more than half their time was given to government "red tape," and that in consequence they had been compelled to give up industrial pioneering. Finland was greatly damaged by the war, and with heavy reparations to pay, is still in the grip of war-time restrictions and regimentation. In such circumstances a central office, onto which a small industrialist can unload his "red tape" troubles, must be a boon.

This widely varied service is supported by commissions on the sales by its member firms. The smallest of these firms has three employees, the largest 300. The smaller firms pay smaller commissions than the larger ones.

This small metal industries organization has been described at length because it suggests a course which might be followed by small industry in America. There is somewhat less need here than in Finland, because the spirit of industrial efficiency has more thoroughly penetrated American industry. Labor is used far more efficiently, and "know-how" is more general.

Yet, as between large and small industry in our country, large industry at present has very great advantages in access to specialized industrial management and technical services. An organization of small businesses, state-wide in our larger states, or including several states where population is less dense, might make available to small businesses nearly all the specialized services now available to big business. More than that, in 200 or 1000 small businesses there would be apt to emerge a greater variety of ideas and methods than in any single large corporation.

M.T.H., with its staff of 40, does not pretend to supply all the specialized services required by its members. But it knows where to find them. It draws on the experts of the Finnish Institute of Technology, the University of Helsinki, the Work Efficiency Association, the army research staff, and on any other expert services available. It thus serves as a clearing house, getting the best services to the firm that needs them, and holds down the size of its own staff.

This is a particularly important point. There are in America many sources of business guidance, but the small industrialist often has not time to become acquainted with them. The Finnish small metal manufacturer who is a member need not spend his days and nights trying to acquaint himself with sources of help. He needs only to call on M.T.H., knowing that the best help will be available, from whatever source it may come.

Several other Finnish institutions undertake to supply technical, managerial, purchasing and sales service to their members. For instance, the Finnish Association of Tanners, Nahkatehtaitten Hankinta O.Y., serves about forty firms in the leather and tanning field. The largest of these firms has 600 employees, the smallest only five or ten. "Na Ha" handles the import of raw material and machinery, it helps find markets and arranges for licenses and export arrangements, it supplies chemical and engineering services, designs and builds machines, handles machine repairs, and helps its members on any questions that arise. For such services it charges a small commission, about 1/5 of 1% of the business done by the firms.

The Finnish small industry association, Suomen Pienteollisuuden Keskusliitto, undertakes to supply similar services to small industry in general. It has 400 members, about 40 of which are associations which in turn have several thousand members. This association is not yet fully matured in its functions. The Finnish Institution for Promoting Trades trains small entrepreneurs. It has plans for services similar to those mentioned above. It is publicly financed. The Work Efficiency Association, Työtehoseura R.Y., makes efficiency studies. The Technical Institute does research in technical fields.

The Foundation for Promoting Handicrafts and Small Industries has chiefly

helped in financing businesses for refugees. Since 1940 it has made about 1500 loans for that purpose. Of these 800 have been repaid, while 95% of the outstanding loans are up to date on payments. There is an office in the Finnish Ministry of Commerce, directed by Arkkitchti Yyrola, which is undertaking to develop technical services for small industries parallel to those of the other organizations mentioned.

Thus it appears that Finland is suddenly becoming aware that small industry in general cannot survive if each one must solve its technical and organizational problems by itself. Only in union will the small firms have the necessary technical strength. The sudden and independent emergence of numerous organizations to provide such unified service is a first step to that end. It is reasonably to be expected that the Finnish habit of coordination and cooperation, which is combined with intense individualism, will find a way to combine many of these efforts without loss of economic independence.

If some such organized business management service should be available to American small business in several fields the prospect for survival and success for American small businesses might greatly increase. American small business has been far ahead of that of Finland and most European countries in technology and business efficiency. But we should not rest on that preeminence. Seventy-five years ago European industry was far ahead of American in many fields because Europe had skilled craftsmen with many generations of craft tradition behind them, while in that respect America was woefully weak. American industry faced that weakness and overcame it by developing machine tools and standardized methods which largely did away with the need for traditional craftsmen. In the process of overcoming our great weakness we shot far ahead of the rest of the world in production efficiency.

Finnish small industry has lacked the "know-how" of American small industry. The small metal manufacturers are squarely facing that fact, and have set up a form of mutual help which may be almost as great a lift to small business as was the development of machine tools and the standardization of parts in America. Unless American small business can so organize itself that it can have the specialized technical and managerial services now available chiefly to big business, it may find it has missed its greatest opportunity for survival.

In line with American economic habits it might be desirable in our country for private firms to equip themselves to supply industrial and administrative counsel to small business. Just as Woolworth and other merchandising organizations learned how to make small transactions feasible by organization which lowered the overhead cost of each sale, so an industrial service for small business and industry would need to organize its services so that the needs of small business could be met within reasonable limits of expense. There is room for many such private industrial counseling firms in America, with various kinds and degrees of specialization as to their fields of work. Such services would go far to make small business and small industry competent and efficient.

SMALL COMMUNITY ECONOMICS

MOTOR PLANTS DEPEND ON SMALL BUSINESS FOR SUPPLIES

"The automotive spotlight is focused on the nameplates of less than 20 makes of passenger cars. Yet . . . the automotive industry relies upon the efforts of thousands of small business concerns located in all parts of the country. . . . More than 1,000 parts companies and 200 tool and die concerns, scattered in more than 30 states and several areas of Canada, are direct suppliers of automotive plants.

"These primary suppliers themselves are supplied with parts and materials by hundreds of other firms. In some instances automotive supply lines trace back to the three- or four-man 'alley shop,' where a single polishing job or grinding operation is performed on one of the 15,000 odd parts that make up a modern motor car.

"Typical of automotive purchasing policies is the case example of a comparatively small producer of passenger motor cars. The firm is spending more than \$7,000,000 monthly for parts and supplies. It deals regularly with 1,071 suppliers, located in 243 cities and towns in 25 states and Canada. . . . The company goes to Connecticut for tools and cigar lighters, to Illinois for mufflers and fuses, to Tennessee for thermostats. Rubber parts move into Detroit from Colorado, piston rings from Maryland, tools from Vermont, frames from Wisconsin. A total of 19 companies furnish bearings. Six supply bumpers and bumper parts, 34 castings; five, door handles, hinges and locks.

"The heavy influx of workers to California and other Pacific Coast states has enhanced that area's position as America's No. 2 automotive manufacturing center. One automotive firm, for example, is moving forward with plans for increasing its purchases of supplies and parts from Western States from \$15,000,000 to \$65,000,000 annually. Early this year, the company displayed 2,600 vehicle parts to 5,000 coastwise manufacturers. More than 3,000 applied for blueprints. Several large orders already have been placed. . . ."

—*Automobile Facts*, September, 1947.

"The fundamental cause of industrial indiscipline is connected with the great spiritual weariness which has settled upon us. The purpose for which men work is powerless to inspire them; nor does the work itself bring any satisfaction. The pride which the craftsman had in his work for the work's sake is virtually impossible to reproduce in the mass production factory while the modern mood persists. It will be reproduced only in the pride of the group working as a community. We can dimly apprehend something of the possibilities latent here in the attitude of the Russians towards their Dnieper Dam. But before we can hope for this kind of corporate and creative craftsmanship to emerge in our country, we must encourage the development of a valuation of work not for its own sake so much as for the sake of the purpose which it serves."—Bill Grindlay, "Community," September, 1946.

AGRICULTURE

According to a study by the Department of Sociology of Michigan State College ("The Farm People of Livingston County, Michigan," June 1947), 55.5% of the farm operators of Michigan work 250 days or more off the farm (between eight and nine months a year), while 76.4% work off the farm more than 100 days a year. Only 13.4% of farm operators work off the farm less than 50 days—about two months—during the year. In Michigan, at least, running the home farm is not generally a full-time job.

SOCIAL UNBALANCE IN MINNESOTA

Small industries in small rural communities are a vital necessity for the continuance of our rural life. Most rural young women who are not needed at home must find jobs. If there are none nearby, they will go to the city.

From a study of the subject in the first number of "Minnesota Rural Youth," by Douglas G. Marshall, we learn that in Minnesota: "In 1920 there were 125 males [20 to 24 years old] to 100 females; in 1930 this ratio had jumped to 138; and in 1947 it was 147."

In Wisconsin in 1940, according to the same report, there were 152 men 20-24 years old for each 100 women. In Chisago County, Minnesota, at the time of the 1940 census, there were 189 men 20-24 years old to 100 women. If every young woman in the county of this age were to be married, they would supply wives of only a little more than half the men of the same age. The report continues: "The occupational opportunities in farm communities for girls are very limited. As one girl recently said, 'We have two alternatives—either marry a farm boy or go to the city. There is no way to make a living here'."

The cities have a correspondingly disproportionate number of women. This is not just an American problem. The city of Stockholm has 75,000 more women than men, while in rural areas men are in the majority.

Industry alone will not correct this unbalance. There are also needed cultural opportunities, educational opportunity and good hygienic conditions. But economic opportunities are among the first necessities.

RURAL NON-FARM WORKERS INCREASE

Estimates just published by the Bureau of the Census indicate that at present a total of 27,550,000, or 19.5% of Americans live on farms. This is an increase from about 18.7% in 1945, due largely to return of soldiers and discontinuance of war work. In 1940 about 23.9% lived on farms. Less than half the persons who left farms for war work have returned to farm life. Of the 19.5% who now live on farms, an unknown, but considerable number, make part of their living at non-farm work. In the state of Michigan that is true of half the farmers. Perhaps not more than 15% of Americans live on farms and get all or most of their income from farming.

SUMMARY: FOURTH ANNUAL CONFERENCE ON THE SMALL COMMUNITY

Note: This is the second part of the summary, the first having appeared in the September-October issue. Because of lack of space, considerable condensation has been necessary, and record of all discussion has been omitted.

MY PHILOSOPHY OF COMMUNITY

HOWARD Y. McCLUSKY, Director, Adult Education in Michigan

There is a tendency to "perfectionism" in our approach to community betterment. Some of us at least are inclined to expect too much and too soon. Due to the community complex of interpersonal and other relationships, the general community mind cannot be modified rapidly. We should be content to advance a step at a time and not be discouraged if results are not at once evident. In any community there is always the active minority, but the index of community participation never attains 100 per cent. Hence, it is rather naive to claim that a given effort involves the *whole* community. If any one or two agencies are able to do something which registers beyond their own agency constituency, it can be regarded as a real community gain. Even so, we rightly aspire to full community participation in time.

I am less and less interested in structure per se. It is simply a means to an end. There is little point in maintaining a myriad of standing committees on a permanent basis. Rather, we should think in terms of series—let a specific job be done and then the machinery pertaining to it be discarded. In most cases the same leadership will be available when another need arises. There should of course be a minimum of continuous top-structure maintained to keep the general movement alive.

My own faith in the future of the community movement is based on certain factors observable in communities or in areas of planning related to communities. To enumerate: (1) Community pride. People respond in an amazing way when you list the assets of the locality where they live, thus strengthening their faith that life can be good wherever we are. (2) The existing organizational resources in communities themselves constitute an enormous aggregate. These existing local organizations are subject to suggestion and inspiration by leaders coming in from the outside, yet what the local people do is their own decision. (3) Recent research has developed techniques and tools of community appraisal we have not had before. This puts us on the verge of unprecedented knowledge on why people work together and also of what factors hinder their working together. A part of this new insight is a realization that personality as we have it is in all likelihood not possible except as it comes out of the "primary group."

Among methods thus far found fruitful in the community movement is that of training local people in the technique of interviewing. This can be developed through what might be called a "community seminar."

An outstanding need is that of instilling a sense of stewardship through all the workings of our educational systems, i. e., a sense of obligation to return to society what one has received from that source. Presumably, persons trained for the professions already have some conception of their public obligations and possibilities. But the "community component" should not only be lodged in all people pouring out from our professional schools—it should be spread to include all people trained in general education. If even 15 or 20% of our educated young people are thus affected, it will be something worth while.

"KENTUCKY ON THE MARCH"—A PROGRESS REPORT

MAURICE BEMENT, Executive Secretary, Committee for Kentucky

We in Kentucky have been working for the past two and a half years on an exciting program designed to create a better understanding among our people—people of varied interests, people of different races, people of many faiths. We feel that through a better understanding we can do a better job in producing our food, in educating our people, in solving our social and economic problems and in government administration, both local, state, national and international. The organization actively engaged in this project is the "Committee for Kentucky."

In 1927 the people of Kentucky elected a Republican governor and Democratic legislature. There was very little constructive legislation during this four-year period. When 1940 elections produced a similar split in party power, there was concern throughout the state. The Kentucky Merchants Association took the lead in seeing if a repetition of the 1927 deadlock might be avoided. A meeting was called and a resolution drafted asking for legislative-executive cooperation. They encouraged other organizations to do the same. As a result there was much beneficial legislation in the period.

Some time later a meeting was called of all the organizations which had shown interest in this problem. During the meeting, it was suggested that this group be a nucleus concerned with the betterment of social and economic conditions in Kentucky. The suggestion met with approval and the group named themselves the "Committee for Kentucky." The Committee was born of a spirit of cooperation and has continued to operate on a nonpartisan, nonpolitical, non-sectarian and nonprofit basis during the three years of its existence.

We are primarily a fact-finding body, making studies and issuing reports so that the citizens will have a better understanding of their state. Rather than set up a superstructure, we have been working through existing channels, including local and state government. While the committee started with 35 charter member organizations, it has now grown until there are 85 cooperating agencies, including the Kentucky Farm Bureau Federation, Kentucky Education Association, Kentucky CIO Council, Kentucky Medical Association, Kentucky Federation of Labor, and many others. Officers of the Committee are elected annually by the member organizations, and half of the members of the Board of Directors are

elected annually for a term of two years by member organizations. The Board of Directors consists of 21 members, comprising a cross-section of Kentucky's religions, races, and occupational pursuits.

Of the ten studies originally planned (Agriculture, Education, Health, Housing, Constitution, Public Welfare, Manufacturing, Labor, Natural Resources, Taxation), seven are now complete. For each report an expert is selected who, with the help of his committee, gathers the material and completes the first draft. This is then brought before the Board of Directors in an informal meeting, studied and analyzed. Suggestions are made. It is then returned to the committee to be reworked, and the process repeated. One major concern is to achieve a continuity and integration between each area and the other areas under consideration. When completed the reports are distributed widely throughout the state, through the press, radio, schools, member organizations, other agencies, and government. A column, "Kentucky on the March," appears in 100 papers throughout the state. It has been using the shocker technique of revealing the poor conditions in Kentucky. A similar series appears on the radio, originated by WHAS two years ago, a fifteen-minute feature dramatizing Kentucky problems and their solutions. Transcriptions are now sent to stations all over the state. A "speakers' bureau" of the Committee for Kentucky sends people wherever they are asked for. State-wide conventions sponsored by the Committee are a further means of education. We have worked through the schools by sponsoring contests and advising in curriculum planning. In 1946, we were asked to appear before a joint session of the legislature and explain the origin and purposes of the Committee for Kentucky. As a direct result, the legislature voted a school term increased from seven to eight months and an increase in educational appropriations. Up until that time, rural school districts could only receive 75¢ for each \$100 assessed property value, while urban districts could receive from 75¢ to \$1.50. We felt that the legislature caught the spirit and vision of the Committee. Reports were quoted on the floor of the House and Senate.

Anticipating an enlarged legislative program, the Board of Directors suggested that each member organization agree on one thing which they would like to sponsor for legislation. When this was done the various ideas were brought together to see which would elicit unanimous consent. Of those solicited, thirty different planks were agreed upon by the 85 member organizations, and were assembled into the legislative program. The primary labor organizations of the state, including the AFL, CIO, Brotherhood of Mine Workers and Brotherhood of Railroad Workers, were surprised at their many points of agreement. They admitted that just two years before it would have been very difficult to even get them together, much less bring them together in agreement. Of the four leading candidates for governor, every one has endorsed at least twenty planks of our legislative program.

In spite of the notable progress made in Kentucky the first year and a half, it soon became evident that if we were to do a really sound and basic job we

must start at the grass roots, the community. About a year and a half ago there was established as a part of the Committee for Kentucky, a Department of Community Service headed by James W. Armstrong of Henderson, Kentucky. The department assists communities in developing community councils, offers a consultative service on community problems, and provides information on what other communities are doing for their economic, social and governmental advancement. Through its stimulation several communities in Kentucky have already formed local councils. The two oldest councils, in operation for over a year now, are (1) the Committee for the City and County of Henderson, and (2) the Committee for Ft. Thomas. In addition to these two, several other communities have become sufficiently interested to form councils such as the Improvement Council for Carroll County, the Committee for Springfield and Washington, the Committee for Bardstown and Nelson County, the Committee for Calloway County, the Committee for Danville. Discussion, study and organizational work are beginning in Paducah and McCracken County, Ashland and Boyd County, Frankfort and Franklin County, and Lexington and Fayette County. In Henderson, a community conference was held last April, the first community conference ever held in the state of Kentucky. As a result of the conference, the community is now at work on a zoning ordinance and a city plan. It has provided for a child welfare worker and established a program for the training of recreational leaders.

On the state level many tangible results have been attained. In addition to the legislative advances already mentioned, there has been a three-million-dollar appropriation for the completion of five new state tuberculosis sanatoria; an increase in common school funds by 3.5 million, the greatest increase ever voted public education in the history of Kentucky; an increase in the appropriation for the State Department of Health and County Health units; legislation permitting cities to issue revenue bonds to build hospitals badly needed in small communities; a fund, well over \$125,000, to aid in the training of doctors for rural areas; a new mine safety law; an increased appropriation for extension service which provides farm and home agents for counties; an increased appropriation for primary, secondary and rural roads; a program for the development of Kentucky's park system; expansion of activities to advertise Kentucky's resources and scenic attractions; expansion of the Rural Electrification Administration program; and the organization of a "Campaign for a Kentucky Constitutional Convention." The State Chamber of Commerce is endeavoring to bring new industries to Kentucky and expand those already in existence.

On a less tangible ground, we see evidence of a better informed citizenry, a greater understanding among leaders and organizations of opposite thinking and diverse interest, a keener interest by the people in the affairs of their communities and state, the creation of a greater sense of unity and common purpose within the state.

We hope that even greater progress can be made in the future.

COMMUNITY PROJECTS OF THE A.F.S.C.
DAVID HENLEY, Secretary, Social-Industrial Section,
American Friends Service Committee

For some time we have been interested in what can be done to carry a new flavor into *existing* communities. We can't expect to build enough new communities to revitalize our increasingly standardized, centralized culture. We need to experiment as to how new ideas, values, and opportunities for experience can be carried into communities. There is one significant instance of this. A young couple, graduates of the University of Chicago, settled in a community in the San Joaquin Valley. They slowly became an integrated and accepted part of the community. Meanwhile they were becoming acquainted in larger Friends' and liberal circles in California and found kindred spirits among them. Incidentally, we have found time and again that it is difficult for one couple to carry on this type of spiritual enterprise alone, that two or more couples strengthen and support each other. This couple encouraged others to come in. The community, Tracy, California, is now beginning to discover and build upon their common interests and needs. A sense of unity among the members is becoming more apparent. Bob and Ruth Boyd, the original couple, are actively at work in a Southside Improvement Association.

We have one small project in Abbeville, South Carolina, Little River Farms, directed by Wilmer and Mildred Young. They are doing a very difficult task. The Service Committee bought 800 acres in this area, comprising an interracial community. The Youngs have elected to change the community by identification. They have so identified themselves with the current social and religious activities that it would be hard for an outsider to distinguish the newcomers from the community. They have devoted much of their time to the tenants of the area, showing what could be done in improved tillage, prevention of soil erosion, disease prevention, insect control and so forth. With the exception of one, all tenants now have their own farms. It took the actual purchase of the land to make a psychological change in these people. It was interesting to see the change that came over them, the feeling that "this is our farm to do with as we choose."

There are many problems still unsolved at Abbeville. The small Negro school still persists. One thing that has caught on is improvement in the practices of animal husbandry. There is also better use of machinery. There were plantations where these machines were in use, but they weren't available to the small farmers. There are more and more demands for machinery and information, and this perhaps is the most encouraging sign.

In the slum section of Indianapolis, a year-round Friends work camp has helped to build a very modern settlement under the direction of Cleo Blackburn. We are now helping with other things, especially self-help activities including a housing project. A group of Negro men are interested in constructing modern homes.

So much, then, for taking part in existing communities. Penncraft, Pennsylvania, is one instance of a new community undertaken by the Friends Service Committee. Last December when the coal strike was on, a *Christian Science Monitor* reporter was looking for a story of the strike. In driving from one camp to another, he spotted a valley dotted with fine stone houses, where he discovered a co-op store, co-op slaughter house, community center, a knitting mill employing about 100 women, and other community enterprises. Instead of writing on the strike, he explored Penncraft and devoted his article to the experimentation taking place among these mining people. Replacing the company-owned houses, stores, recreation facilities, Penncraft is slowly developing into a community of, by, and for the miners.

We have one indication of the success of Penncraft. Several of the sons of the Penncraft miners, after seeing all the work involved, are starting out on their own home-community building project in a second unit.

RECREATION IN SMALL COMMUNITIES

LOUISE COLLEY, Recreation Director, Simcoe County, Ontario, Canada

"Let it be admitted that recreation is only one of the things that makes for happiness in life. I do not even recommend it as the most important. There are at least four other things which are more or less under our control and which are essential to happiness. The first is some moral standard by which to guide our actions. The second is some satisfactory home life in the form of good relations with family or friends. The third is some form of work which justifies our existence to our own country and makes us good citizens. The fourth thing is some degree of leisure and the use of it in some way that makes us happy. To succeed in making a good use of our leisure will not compensate for failure in any of the other three things to which I have referred, but a reasonable amount of leisure and a good use of it is an important contribution to a happy life."—Viscount Grey of Falloden in an address at the Harvard Union, 1919.

Viscount Grey seemed to take for granted nearly thirty years ago what many of us apparently are not aware of today; he realized that a vital human need is met in "re-creative" activities. The desire to play, to express oneself is as real as the desire to eat and drink. Children need play for normal growth. All through history we find reference to what people did after their work was done. Sea chanties, work songs and dances were the product of long hours of work, when the only relief from routine toil was in such expressions of melody and rhythm. The findings of anthropologists show that primitive groups have their games, dances and songs. These are, for the most part, closely related to their religious and economic experiences. In the past the different areas of living were not separated as distinctly as they are in our modern industrial society, in which we work at certain prescribed hours of the week, play at others and worship at others. Now we have to plan for leisure time and for something to do in it which will give us satisfaction and happiness.

Certain forms of recreation give more opportunity than others for the development of better human relationships and growth of personality. Those which people can participate in rather than those in which they watch others are preferable. If they open new horizons to us and prove of inexhaustible interest they are indeed valuable. Viscount Grey thinks of gardening as one of these. He says of it: "It is one of those pleasures which follows the law of increasing and not of diminishing returns. The more you develop it and the more you know about it, the more absorbing is the interest of it. There is no season of the year at which the interest ceases and no time of life, so long as sight remains, at which we are too old to enjoy it."

Again those forms which give people an opportunity to express themselves and to be creative are worth cultivating. Then within these forms there should be a wise choice of materials. By that I mean choice of the particular games, songs, dances, etc. with reference to what they do to individuals and to human relationships as well as to whether they are fun. Some games give a wonderful opportunity for developing alertness, initiative and resourcefulness. Games where there is a problem to solve, however simple, are of this kind.

There are songs which offer more possibilities than others for welding a group together. Beauty of melody, rhythm, the "feeling" of the song, the possibilities for harmony can all contribute toward an experience of delight which is difficult to describe. Much is lost when folk songs and dances with their rich tradition are changed to suit the modern tempo and taste. The integrity and beauty of the songs and dances are often lost in this way.

In the field of dramatics a great deal of time is spent in producing plays which have little worth in terms of personal growth or understanding of others. A play which shows real human relationships and, therefore, engenders real emotions can contribute much to our understanding of how people in different times and places might have felt. The actors and the audience have a revealing experience when a play of this kind is produced. Too often cheap farces which do not give a true picture of life are put on. If they are well done the amusement of the audience is probably the only compensation. A play which depicts human relationships and situations need not be a tragedy and would be far from dull. Unfortunately, lack of demand for such plays makes them difficult to find.

All forms of recreation and recreational materials could be checked to determine their worth with reference to what they do to individuals and group relationships and to their possibilities for fun and enjoyment. The need for good leadership can now readily be seen. Such leadership will attempt to help people choose the kind of recreational activities which give the greatest opportunity for growth of personality and group relationships. People usually want to do something they have been used to doing. A wise leader starts where they are but tries to go on from there. He exposes them to new activities and materials and tries to develop an attitude of excitement toward creative leisure time activities. Good leadership also gives the fullest opportunity for expression to all those participating

in activities. In square dancing very often a few people "horse about" and though they may have fun the others don't.

In small communities there is too often a dearth of leisure-time activities which meet the needs of all. Cultural activities particularly are lacking and with them there is little opportunity to find adventure and creative experience. There is a need first to arouse people's interest in many kinds of leisure time activity. Then the opportunity to learn skills for enjoying these activities should be made available. Solitary or group recreation, things the family can do together, creative activity for shut-ins are all important.

Most small communities cannot afford to employ a full-time recreation director. Perhaps someone in your community who is interested in cultivating the "joy of life" would give some time to this area of community living either on a part-time paid basis or voluntarily. Such a person could act as co-ordinator of the different leisure time activities in the community by guarding against overlapping or gaps. He could help groups initiate needed activities, find people with leisure time skills who would be willing to teach them to others and attempt to spread the responsibility for different recreational events throughout the community. This person would not need to have actual skills in leading recreational activities or a knowledge of a wide range of recreational materials. There are many sources from which he can gain practical help. Rather, his essential qualification should be that he sees the value of recreation in its contribution to the whole of living, and the possibilities within recreational situations for personality growth and understanding of others.

SMALL INDUSTRY IN RECESSION

JOE J. MARX, President, So-Lo Works, Inc., Loveland, Ohio

How much easier it is for a thin, wiry man to tighten his belt than it is for a large fat man! In the event of a recession, the well-managed small industry (especially the decentralized small industry), will be able to meet the challenge better than the large far-flung industry; and with less damaging results to the community and the nation.

If the country is to be faced with a recession, the small, well-managed industry can live within reduced budgets, can move excessive inventories, can live and continue to work with disillusioned labor less unhappily—can better withstand the hammer blows of "business-in-reverse." And for several reasons:

1. *Investment.* Big business has tremendous investments in plants and structures, machinery and equipment with their attendant depreciation. Small business usually operates with less invested capital, which it is true can be quickly dissipated. But that is when the small business man buckles down to make ends meet.

2. *Responsibility.* In a declining market excessive inventories must be moved to make way for lower-priced goods. The large company must find someone to take this responsibility, always difficult in a large organization. Decisions are slow to filter from top to bottom in a large organization. The small operator cannot

pass the buck. In his case, it is "survive or perish." He must accept responsibility.

3. *Commitments.* Large companies must maintain properties on long-term leases. Sales and advertising programs run six months to three years. Staffs of experts are on contract. The small business man's position is more under control. He can stand or he can jump.

4. *Waste.* Cannot be overlooked. Everybody knows how wasteful an army or a government can be, but few know the waste in big business. The little man whose eyes are open sees waste as money out of his own pocket. So do his employees, who recognize waste of time and materials as affecting their own jobs.

5. *Habit.* The greatest stumbling block of big business in case of recession is habit. The little man quickly comes down to earth. It is easier to march a caravan of camels through the eye of a needle than for big business executives to give up \$20-a-day hotel rooms, unlimited expense accounts, and afternoon golf. The small man knows how to tighten his belt.

I am not predicting a recession. I am not an economist, just a small business man. With employment at its all-time peak it seems the optimists were right and some leading economists wrong about a recession this year.

And yet there are holes in the nation's dike that even we laymen cannot help but observe. If the cost of living continues upward, if American dollars are not made available to foreign countries, if farm prices go down too rapidly, and orders are canceled wholesale, we may see panic liquidation of inventories and widespread unemployment. Let's hope this won't happen. For ten months many manufacturers of consumer goods such as soaps, tires, furs, liquor, jewelry, dresses—and in my case, rubber footwear—have experienced varying degrees of recession.

I would like to show you how our little business has had to tighten its belt. I am not proud of this record. Large sales and profits are always of greater interest to people than is this kind of questionable success—or absence of complete failure. Our sales volume dropped from 2¼ million dollars a year in 1944 to a possible half million to ¾ of a million dollars this year. Yet, by tightening our belts we will finish this year with a small profit. Our credit is good. We have met our private recession. New products, slow in being perfected, are now being tested in several markets. Our sales are on the way up. We do not fear a recession—ours is behind us. Here is proof of what small industry can do, what big industry would find difficult and often impossible to do.

A friend of mine, the head of a large company, said that a sudden 50% drop in their business would mean bankruptcy. If this is true of other large companies should not our legislators encourage small business, if necessary by federal loans?

The most important factor in case of a recession is the individual, you and I and millions of others. If our national economy fails to work and there is a recession, we will all have to tighten our belts. Refuse to accept bigness itself as the true strength of our industrial economy. Look instead for greater strength in the continuance of small industries. At the head of each small industry is a man who can tighten his belt if necessary—a man with a will to live and to prosper.

A COLLEGE PROGRAM FOR SMALL BUSINESS DEVELOPMENT

TOM SHEARER, Acting President, Parsons College, Fairfield, Iowa

Some emphasis needs to be placed upon the social function which a business man fulfills in a community—a function of serving to make the community worth-while. I was impressed with the high sense of moral responsibility which guides a business man by observing my father handling his business. For some time it has been apparent to me that many business men accomplish fine things without being conscious of any mission in life. Educational and social agencies are accepted as worthwhile, but I doubt if they accomplish more good than the business man who sees the economic and social possibilities of his business in the community, nation and world, and quietly, earnestly works at fulfilling them.

There is more business of many kinds to be had in small towns and cities than in the large cities. Many men are earning good incomes in small businesses, better than a large percentage of the business men in New York and Chicago. Contrasting the more leisurely life of the smaller community with the stress in a large city, there is much to be said for small business in the small community.

At Parsons College we were eager to educate away from the misconception held by many young people that they can buy security. The real security must come from enthusiasm, resourcefulness and initiative. We were anxious that our young people see the possibility of this in small business in their own communities. For all but a very few, as good income can be had in the small town as in the city. The other attributes of good living can be there, too.

The Small Business Bureau of Parsons College is designed to perform these functions: First, it is collecting a library of helpful information on small business. Secondly, it is concerned with teaching the techniques of efficiency that are being used by the best of large industry. A wartime committee of the Department of Commerce has been very helpful in supplying information. Third, for our own students a course on small business is being given. Western Reserve and the University of Indiana were the only other schools in the country giving courses in small business at the time we started. These others tend to be observation courses, based on vicarious experience. Our course tries to incorporate first-hand experience. It also is determined from the viewpoint of the small business man, not the expert. We undertake to provide enough understanding of accounting, business management, etc., for the general executive, but not the detailed academic understanding of the specialist. Much of American education today is geared to the specialist. Fourth, we have experimented a little in the problem of placement by going to small businesses and trying to interest them in our students. It is surprising how willing the community has been to cooperate.

The real problem has been with the young people themselves who are captivated by the glamor of Chicago and Detroit. They listen and we explain and demonstrate the advantages offered by the smaller business in the smaller community. Too often, they merely nod their heads in approval and then go out to look for a job in the city. But we have made some progress here, too.

SOCIAL PIONEERING IN SMALL INDUSTRY

ERNEST MORGAN, President, Antioch Bookplate Co., Yellow Springs, Ohio

I shall confine my talk to three categories: (1) The aspect of democracy in business, with sharing of risks and profits; (2) Race relations in business; and (3) The relationship of business to community organization and leadership.

The Antioch Bookplate Company was started in 1926. At the time, I had the opportunity to work for other firms, but felt that, with my unconventional ideas, I would be selling my soul somewhat if I went to work for a large corporate organization. The upshot of it was that I went to work in a small business of my own. I didn't think of the business itself as having much significance as a means of realizing social objectives. The business, I felt, would give me opportunity to do other things in the community which I wanted to do. Gradually, however, it became apparent that a lot of my effort would have to go into the business if it were to survive. We realized, too, that we didn't want a compartmentalized life, earning a living on the one hand and working out a philosophy on the other.

In 1940 the staff, which had grown to seven or eight, got together and requested a 20% wage increase. Wages had been marginal, but sales were rapidly increasing; the request was reasonable and possible. We found ourselves at a crossroads. Were we to follow the typical pattern of management and employee, or should we pioneer in risk and profit sharing? It was proposed that, instead of a wage increase, one third of the profit would be distributed among the staff. This would sometimes provide more than a 20% wage increase and sometimes less. The plan was accepted. It paid a 40% increase during the first year. Later the plan was formulated more specifically. Each employee regularly received only 80% of earned pay, receiving the remainder plus a share of the profits, at the end of the year if the earnings of the business permitted. This cushioned us from operating losses, while it reduced our profits.

In 1942 we had an opportunity to buy the *Yellow Springs News* and did so without consulting the staff. The staff disapproved, as the *News* involved an operating deficit. To adjust for this new factor we increased the profit-share to 50% on all earnings above \$5,000, but left it at one third of earnings below \$5,000.

The business continued to grow. A profit-sharing policy which was socially sound for six or eight people became less sound for 25. We worked out a new plan by which profit as such would be abolished completely, making all net earnings apply as additions to wages, but which would obligate the staff to reinvest in building up the capital of the business. We were fortunate in having a socially-minded group, and most of the staff were interested. Some of the group, however, became oversensitive to every detail of the business as this new plan took form. Some of them became very intolerant of each other's inefficiencies and shortcomings. Life became hectic. Some of the older staff members said that we couldn't go on with it, and the plan was abandoned. In trying to analyze the

situation it seemed that the conventional individualistic view of property and income is deeply rooted in our thinking. A functional organic concept of society seemed to be largely absent. Another factor was the presence of one or two mal-adjusted personalities. It was suggested also that the success of our plan might depend on a group closely knit together in living and social philosophy, not merely a collection of people.

Presently another tack was taken. The business was incorporated on a traditional basis. The policies by which the corporation is run, however, are not conventional. Profit-sharing remains. One drawback of profit-sharing has become apparent in recent years. During the war when income was great, large amounts were distributed among the staff. As a result we do not now have adequate reserves to meet the needs of an expanded business, and we have had to seek additional capital. The test of our profit-sharing plan will come when profits are slim. That is our next hurdle.

We have explored the possibilities of democratic procedure. An interesting instance occurred when the editor of the *News* wanted to increase the page size of the paper. He held that it would not increase the deficit, while some other employees believed that it would. The staff have complete access to the books, and a small group spent a few evenings going over them, making charts and diagrams. A meeting was called to discuss the issue. This group came to the meeting with detailed information on the financial structure of the *News*. (We generally rotate staff chairmen and employ the "sense of the meeting" method of transaction.) Contrary to expectation, the meeting was relatively free from hot argument. There was a free exchange of ideas, animated, but without stress. The staff arrived at a formula upon which we could all agree, although it was contrary to the original opinions of many, including my own. This case was a very good demonstration of democracy at work.

We also have pioneered in race relations. One or two unfortunate mistakes were made in this area. We were anxious to have an interracial staff and employed a colored boy as a printer. He had the disability of being unable to re-learn wrong muscular habits. If the wrong reflex developed at the press, nothing could be done to change it. Some years later, we employed a colored woman to do bindery work. She was somewhat elderly and had had no training in skilled manual work. The failure of these two persons made it difficult to undertake another venture. Later we located two high school students, very attractive and competent colored girls, who were unassuming and friendly. No one could take offense at their presence. Afterward we employed a colored woman to act as receptionist. She was well received by the community.

There is an interesting story connected with the Negro society editor who was with us for a time. When she first came we suggested that she phone a number of the people in town, who were prejudiced on the race issue, covering social items. It was impossible to tell by her voice that she was colored. Also, she had recently married and her married name was not known. She called these people

and had nice chats with them. Later, when they discovered that she was colored, it was too late. Good relations had already been established.

During the war, when the evacuation of Japanese-Americans took place, we added a number of nisei to the Bookplate Company staff. At first the Negroes in the community resented the intrusion of the nisei because they enjoyed the advantages that white people had, in barber shops, restaurants, etc. There was some resentment that nisei were more highly trained and moved into higher positions. This feeling has diminished because on many occasions the nisei have stood up for the rights of the Negroes and have entered interracial activities.

We have been encouraged to see how racial prejudice has disappeared as persons from prejudiced backgrounds have joined the staff. People quickly adjust to what they see going on. We have found that an interracial staff isn't difficult if it is approached in the right way.

We have given thought to the relation of business to community leadership. Businessmen have been and still are the real community leaders, even more than the clergy and others. They have tended to call the tune. A business can be reactionary or progressive. It has been said, "Cooperatives have no social significance beyond the interests and purposes of the people who run them." So it is with business. If the men who manage business have broad understanding and fine ideals, then business can be an effective means of social advancement.

In many communities, workers within factories do not develop into effective community leaders. An increasing amount of leadership has arisen within the Bookplate Company. Of our 25 workers, nearly all are participating in community activities in one way or another—co-op store, community concerts, church choir, recreation leadership, etc. The problem of so operating a business that leadership within the ranks will increase calls for much thought and concern.

SIGNIFICANCE OF DECENTRALIZATION FOR COMMUNITY LIFE

RALPH TEMPLIN

There is a confusion in the present use of the term "decentralism" in the United States which needs to be clarified. If the idea conveyed by the term does not carry significance for democratic and community living, its use had better be avoided.

I had never heard the term until we spent our last month in India in Aundh, one of the smallest of the native states. There we found the word in constant use to describe the spirit and purpose of reforms carried through two constitutional revisions. The second reform constitution made the village the primary unit of organization, placing the principal control in the hands of the *panchayat* (rule of five elders). This age-old ruling body was made elective and becomes also the court where nearly all cases are tried whenever the circuit judge visits the village.

A second way in which the method applied was in two factory centers provided with limited residential privileges and cultural advantages similar to a university. Factory workers would live for a period in the factory towns, and then

return to their villages. People attending the centers were thus helped to keep their village holdings and to avoid becoming rootless, floating population. By contrast, the workers in such industrial cities as Bombay and Cawnpore, who have been drawn from such villages, are as uprooted, homeless and desolate as any aggregate of people on earth.

Returning from India, we enrolled as students at the School of Living, Suffern, N.Y., desirous of learning what the Western adaptation of this concept might be. There we were suddenly and unexpectedly elevated to the management. We met difficulties of two kinds: human and natural (or material). In turning toward these—in actual bedrock work—we discovered how decentralization begins at home and how it works out through families and communities facing and tackling their common problems.

We discovered that an ancient philosophy was working itself out, a philosophy from which both decentralization and democracy stem. This philosophy can be found in writings of Confucius, Lao-tze, and other sages of all places and time, but has probably never been more clearly stated than by Jesus of Nazareth in the words, "The Sabbath [most holy institution] is made for man, not man for the Sabbath." The crux of this philosophy seems to be that people must be in control of their institutions.

After leaving the School of Living, I debated in my mind whether the term "decentralism" ought to be used at all. I have never liked it because it appeared negative in meaning. But circumstances compelled me to reconsider the matter of its use and I began to explore its meaning.

The dictionary defines the word with special emphasis upon "control" as "removing control from the center." Centralization is "the concentration of authority in a central authority." There is no confusion here. The history of its use in education, economics, sociology, and political science supports the dictionary definition. The American educational system is called a decentralized system because it vests the main authority in local boards. The consumer cooperative movement is called a decentralized movement because control remains with members through the "one member one vote" principle and through the fact that people set up their own arrangement to provide themselves with goods and services. The history of the development of decentralization as a politico-economic philosophy on the European continent and in England, where the term "distribution" has often been used as synonymous with decentralization, also supports this definition. The word in that case has been applied to a libertarian movement led by such men as Franz Oppenheimer and Hilaire Belloc, and Alfred J. Nock and Ralph Borsodi in our own country, who were convinced that a form of modern slavery was emerging from the increasing removal of control from the people by centralized monopolistic, governmental or any other authority.

It is only when we turn to a recent popular use of this term that confusion enters. This popular use springs largely out of a business trend, though confusion engendered by it exists also in the minds of some enthusiastic exponents

of decentralization as a way of life. If a factory is located in a country place, however autocratic the control, it is said to be decentralized. If people live on the land or go to the land, that is said to be decentralization. If industry is in smaller units, or if methods are more primitive as in a return to crafts, people think these imply decentralization. But we ought not to miss the fact that none of these touch upon the central element in the dictionary meaning or in the historical development of the usage of this word. Also, we should bear in mind that though these may well accompany a true decentralization, they do not in fact guarantee human freedom from centralist control. The Indian villager has life on the land and a simple, small-scale, primitive economy and yet he is among the most enslaved of all men.

Notwithstanding confusions in the use of the word decentralization, it is probably better to retain the word and give it its true significance. The word democracy has been equally confused by popular usage. It is probably wise to use such words and restore and enhance their true meaning in terms of the original purposes and spirits which gave birth to them.

The consumer cooperative movement seems to be the only large-scale attempt in our present civilization to organize our economic life in harmony with decentralist principles.

Such use of decentralist techniques involves dependence upon the educative principle, socialization, which means seeing to it that the bonds between people are "social" or the developing of the "we" spirit among people. The illusion of our age is that we can socialize by organization from the top down. Our haste and over-urgency lead us to emphasize coercion as a means rather than this profounder human educational approach. The small community offers the best setting for true socialization.

The philosophy of education which belongs peculiarly to the small community recognizes that life is an interplay between volitional factors in the human being and environmental factors both natural and social. John Dewey and Mahatma Gandhi agree in this fundamental though they start at opposite ends and work through in opposite order. Dewey starts from the environmental and Gandhi from inner attitude. They represent thus two orders: i.e., the order of determinism (represented by Dewey) and the order of responsibility (represented by Gandhi). Neither position holds the complete truth, and it should be noted that Dewey's most recent thinking tends to move away from strict determinism.

The education favoring decentralism might be described as the "unified educational approach." It recognizes that the community is at every moment educating us for good or ill, irrespective of what is being done through recognized educational procedures and institutions. Therefore, true education must involve a simultaneous attack upon the inner factors and the outer factors which play upon life. The small community is peculiarly the setting for this approach.

World community must begin in the customary setting where people live and work and play together. It is at all points and levels an evolutionary growth.

LOCAL COMMUNITY PROJECTS

One session of the conference was taken up with a discussion of elements of the community program which has developed at Yellow Springs during recent years, stimulated in many cases by the local youth council and the community council. There has been a gradual development of these services over a period of fifteen years. The publication of these accounts may be justified as illustrating just what kinds of activities may develop in a community of 2000 people without help of professional social services, and mostly by volunteer work.

Mrs. MEREDITH DALLAS on the "Community Nursery School."

The Yellow Springs Community Nursery School began about four years ago as a continuation of the Antioch College nursery school, which normally closed during the spring. Some mothers who desired a nursery school which would continue through the summer investigated possibilities among the homes represented, selected one which seemed best adapted for holding a school, and hired a teacher. Fathers constructed equipment and were thus brought into closer relationship with their children.

The school closed when the Antioch College group began operations again during the fall, but the existence of a waiting list nearly as large as the school's enrollment pointed to the need for another nursery school. During the following winter the group continued under the guidance of a qualified teacher. There were monthly parents' meetings, consisting of discussion led by an outside speaker or reports on child development by parents who had studied the topic in question.

Present plans are to move to the elementary school building when the school session begins in September. The nursery school will continue to be supported by the parents rather than by the public school, but will have rent-free quarters and many other advantages, making possible a reduced tuition fee. The Merrill-Palmer school advises the use of capable high school girls, finding that under competent supervision they can have valuable experience and can be of great help.

The use of mothers as assistants had proved unsatisfactory in the Yellow Springs project, but reports of other projects indicate that systematic training and study groups sometimes overcome the attendant difficulties. Parents gain much from study, discussion, practice, and consultation and analysis of situations in the group. Such a project as the Community Nursery School is possible for many a community. The presence and resources of such an institution as Antioch College were helpful, but would not be essential.

Mrs C. S. ADAMS on the Yellow Springs "Day Camp" and "Goods Exchange."

The Yellow Springs day camp began about ten years ago, when Mrs. Hilda Livingston began taking children to the Bryan State Park two miles away. At that time the park had no swimming pool and needed many improvements. In 1944 it was decided to bring the camp closer to the village. Two trained leaders, a man and woman, were hired and are paid salaries equal to those for similar work in Dayton. All other help has been volunteer.

The camp opens July 1 and operates three days a week, leaving parents time to plan family activities, music lessons, etc., on other days. Nearly all Yellow Springs children aged five to eleven attend. On Monday all meet on the lawn at 9:00 and remain until noon. On Wednesday the younger group brings lunch, eats at 11:30, and is taken by bus to the swimming pool at Bryan Park. Both leaders go, Boy and Girl Scouts act as assistants, and a life guard is on duty. On Friday the older group brings lunch and is taken to the pool. During the first year under this system excellent swimming instruction was available, and about forty children learned to swim.

The camp runs for eight weeks, with a \$3 tuition charge for the whole period. The fee is waived if there is inability to pay. On swimming days a 10¢ fee is collected, to apply toward transportation costs and rental of the pool. The project is not self-supporting, but is subsidized by the Community Chest. This year there are 70 children in the group; last year there were 90.

One of the chief activities this year is working with hammer and saw. Children were sent to the grocery stores for crates, and have been absorbed in construction; during the last week a paint day is planned, using paint which has been donated to the Goods Exchange. Another project this year has been making model airplanes. Careful work is required, and an exhibit of these and other things made by the children is planned at the end of the camp.

The day camp has grown informally, with no one person or group making a full plan. Any parent who will give an hour a week to the project, working in his particular field, is welcomed. A committee plans the camp each year, sending out a questionnaire to find out the children's chief interests. About forty activities are listed to be checked, and the committee tries to include the most popular activities in the camp program. Registration day is announced in the paper, and at that time fees are collected. For a month before the opening of the camp telephone calls inquiring about it are frequent. Attendance is voluntary.

The Goods Exchange supplies many things needed for this and other community projects. In addition to the paint and airplanes mentioned, this year a large flag was donated to the Exchange just after the camp leaders had been commenting on the need for one for the camp. The Exchange also supplies rags for braiding rugs at camp, crayons, leather for coin purses and belts, felt for "beany" hats. The Goods Exchange began about sixteen years ago, when the chairman of the Parent-Teachers Association asked a local woman to distribute used clothing among needy families. Her home finally became too crowded with such clothing, and in 1941 a room was rented downtown and a committee organized to manage it. Any donation was welcomed, whether of clothing, shoes, dishes, furniture, books, or bedding.

Goods are sold at low prices. Shoes are usually 10¢ to 40¢ a pair, and other clothing is sold at similar prices. The aim is not to make money but to get usable clothing into the hands of people who need it. Before the Exchange was organized, welfare organizations from nearby cities collected used clothing in Yellow Springs

and took it back to their headquarters; now such goods are kept in the community and are useful to local people. All donations are used. Clothing which is too worn is classified in a cleaning rag box, a quilt rag box, a rug rag box, and a rag bag, after the removal of all buttons, zippers, snaps and trimming.

The Exchange took in \$585 in 1945, and has made similar amounts in succeeding years. From this rent, gas, and light is paid for, and other community projects are supported. For two years a gardener was paid to grow vegetables for the school lunch program, which were canned by volunteers. Miscellaneous welfare needs such as tonsillectomies are occasionally paid for from Goods Exchange income. The chief project so supported at present is a well-baby clinic, which is held once a month under the supervision of county nurses in the Township Trustee's room at the village offices. It serves about 50 babies from one to five years of age with vaccinations, immunizations, examinations, and other services.

The Exchange is open three afternoons a week and is run mainly by a committee of three women. Occasional mending is done, but no cleaning or laundering is necessary because only clean clothing is donated.

HENRY FEDERIGHI on the "Yellow Springs Recreation Program."

Max and Hilda Livingston began organizing recreation in Yellow Springs many years ago. About two years ago I was appointed by the Community Council as coordinator of recreation with the following functions: (1) To coordinate existing recreational activities in the community, preventing duplication and discouraging the development of a vested interest in any type of recreation by the organization which starts it. (2) To encourage new activities, give suggestions to groups asking for new ideas or help in a project, and to help initiate activities and find groups willing to carry them on. (3) To divide responsibilities among many people. This tends to unify the community. It requires searching for talent and getting people interested; especially we try to interest the younger people, who must carry on when the older people are gone. (4) To report back to the Community Council concerning the various recreational activities carried on. (5) To prepare an annual budget and present it to the Community Council.

The fundamental purpose of recreation in Yellow Springs is to bring together all different kinds of people in the community in play and learning together, so that the prejudices and intolerances and bigotries which exist among all of us may be dissolved. We do not always succeed in this, but playing and working and eating together tend to show that the other fellow is just like ourselves and that good qualities are not the property of any one group.

In our recreation work we try to be able to give people the things they want, to furnish facilities, help get leaders, etc. We encourage people not only to look but also to participate. Of our activities, the day camp has already been described. We have made some progress in musical activities recently. We have an orchestra of about forty qualified players who meet once a week for rehearsal, and give concerts or assist other productions. In summer we have a Saturday evening

free concert series, in which many people participate, with instrumental playing, singing, bands, "amateur hours," etc. There were classes in instrument playing in the early part of the summer, three mornings a week, and in addition, both square and social dancing was taught two evenings a week. At present a small group is attempting to bring together under one committee all the musical activities of the community.

The Bryan State Park swimming pool is available only to groups which rent it for certain daily periods through the summer. The Recreation Committee arranged for one of these periods, printed tickets, conducted advertising, and provided ticket sellers at the pool. During the winter we have a Saturday morning children's program at the College gymnasium, for children aged five to fifteen. Supervision is provided by college students, with the physical education professor in charge. We also organized a baseball team for boys fourteen and fifteen years old, with coaching Saturday morning. They played the College students and placed second in the local league.

During the spring this year we conducted a May Day festival sponsored by the High School student council which we hope will become an annual event. We hold an annual Easter egg hunt on Mills House lawn, in which all children take part. This year the Boy Scouts collected 600 eggs, and the Girl Scouts dyed them.

We always try to disperse responsibility for activities. In recent years there have been several community dinners in honor of persons who have been of great service to the community and who are retiring or moving away. The idea has come to make this an annual event, a dinner for the "Citizen of the Year," in charge of the National Honor Society at the High School, which now has very little to do. Another recent project is the construction of a playground in a vacant lot, which has been undertaken by the colored veterans. Other occasional projects are special lectures sponsored by various organizations in the community.

In general we help people to decide what they want, and then give it to them. The day camp, for example, is now strongly desired by the whole community, and its abandonment would bring immediate protests. Since everyone knows everyone else, it is easy to get suggestions for people to do specific jobs, and to help organizations keep in touch with each other. Next year the high school and the Community Council are cooperating in paying the salary of a physical education director who will also serve as supervisor of community recreation activities, using the school two evenings a week and Saturday morning.

At West Point, New York, on October 7 to 11, a "National Conference on the Community" was held at the call of John W. Herring of the National Planning Association. The purpose was to bring about a national organization of all agencies in the field. While in its origin and composition the conference was principally representative of urban or large-scale organizations, small community and primary group interests were welcomed. Arrangements were made for a meeting in Washington on November 21 to arrange for a national organization.

COMMUNITY SERVICE, INC.

*To promote the interests of the small community as a basic social institution,
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Community Service, Inc., was incorporated in 1940 as a non-profit organization to supply information and service for small communities and their leaders, in the belief that the decay of the American community constitutes a crisis which calls for steady and creative effort. The nation-wide interest expressed during the succeeding years has reinforced this opinion.

PUBLICATIONS

THE SMALL COMMUNITY, by Arthur E. Morgan, \$3.00 cloth, \$1.75 paper
 A BUSINESS OF MY OWN: POSSIBILITIES IN SMALL COMMUNITY OCCUPATIONS AND
 INDUSTRIES, by Arthur E. Morgan, \$2.00 cloth, \$1.00 paper
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